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中國民航信息網絡股份有限公司
TravelSky Technology Limited

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00696)

CONNECTED TRANSACTIONS :
HUADONG CARES SUBCONTRACT AGREEMENTS

On 16 April 2018, the Company entered into the Huadong Cares Wuxi Sunan Shuofang Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the departure system for the Wuxi Sunan Shuofang Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the one-year quality warranty for the departure system.

On 15 June 2018, the Company entered into the Huadong Cares Nanchang Changbei Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the departure system for the Nanchang Changbei Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the three-year quality warranty for relevant systems.

On 29 June 2018, the Company entered into the Huadong Cares Yantai Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the common use self-service system for the Yantai Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the one-year quality warranty for the common use self-service system.

On 29 June 2018, the Company entered into the Huadong Cares Weihai International Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the common use self-service system for the Weihai International Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the one-year quality warranty for the common use self-service system.

On 5 July 2018, the Company entered into the Huadong Cares Nanchang Changbei International Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the self-service check-in equipment for the Nanchang Changbei International Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the two-year quality warranty for the self-service check-in equipment.

On 10 August 2018, the Company entered into the Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the one-year quality warranty for the facial recognition & ID authentication system.

Huadong Cares is owned as to 41% by the Company and over 30% by Eastern Airlines as at the date of this announcement. Eastern Airlines is a subsidiary of Eastern Holding, a substantial shareholder of the Company. As such, Huadong Cares is a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Therefore, the transactions contemplated under the Huadong Cares Subcontract Agreements entered into between the Company and Huadong Cares constitute connected transactions of the Company.

Since the highest applicable Percentage Ratio calculated with reference to the consideration under the Huadong Cares Subcontract Agreements is more than 0.1% but less than 5%, the transactions contemplated under the Huadong Cares Subcontract Agreements are subject to the announcement requirement but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

1. HUADONG CARES SUBCONTRACT AGREEMENTS

On 16 April 2018, the Company entered into the Huadong Cares Wuxi Sunan Shuofang Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the departure system for the Wuxi Sunan Shuofang Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the one-year quality warranty for the departure system.

On 15 June 2018, the Company entered into the Huadong Cares Nanchang Changbei Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the departure system for the Nanchang Changbei Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the three-year quality warranty for relevant systems.

On 29 June 2018, the Company entered into the Huadong Cares Yantai Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the common use self-service system for the Yantai Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the one-year quality warranty for the common use self-service system.

On 29 June 2018, the Company entered into the Huadong Cares Weihai International Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the common use self-service system for the Weihai International Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the one-year quality warranty for the common use self-service system.

On 5 July 2018, the Company entered into the Huadong Cares Nanchang Changbei International Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the self-service check-in equipment for the Nanchang Changbei International Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the two-year quality warranty for the self-service check-in equipment.

On 10 August 2018, the Company entered into the Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the one-year quality warranty for the facial recognition & ID authentication system.

Further details of the Huadong Cares Subcontract Agreements are set out below:

1.1 Huadong Cares Wuxi Sunan Shuofang Airport Subcontract Agreement

- Date: 16 April 2018

- Parties: (1) the Company (as contractor); and
(2) Huadong Cares (as subcontractor)

Scope of work: The Company will subcontract to Huadong Cares the construction of the departure system for the Wuxi Sunan Shuofang Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the one-year quality warranty for the departure system.

Consideration: RMB529,560.00 (equivalent to approximately HK\$614,289.60)

The consideration shall be paid by the Company to Huadong Cares in two instalments according to the project progress as scheduled in the Huadong Cares Wuxi Sunan Shuofang Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and hardware, and the provision of services under the Huadong Cares Wuxi Sunan Shuofang Airport Subcontract Agreement. The adjustment shall not exceed 10% of the consideration.

The above consideration has been determined and agreed between the parties on an arm's length basis based on the costs of the software and hardware including the necessary technical support services and after taking into account the market conditions.

1.2 Huadong Cares Nanchang Changbei Airport Subcontract Agreement

Date: 15 June 2018

Parties: (1) the Company (as contractor); and
(2) Huadong Cares (as subcontractor)

Scope of work: The Company will subcontract to Huadong Cares the construction of the departure system for the Nanchang Changbei Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the three-year quality warranty for relevant systems.

Consideration: RMB2,216,840.00 (equivalent to approximately HK\$2,571,534.40)

The consideration shall be paid by the Company to Huadong Cares in three instalments according to the project progress as scheduled in the Huadong Cares Nanchang Changbei Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and hardware, and the provision of services under the Huadong Cares Nanchang Changbei Airport Subcontract Agreement. The adjustment shall not exceed 10% of the consideration.

The above consideration has been determined and agreed between the parties on an arm's length basis based on the costs of the software and hardware including the necessary technical support services and after taking into account the market conditions.

1.3 Huadong Cares Yantai Airport Subcontract Agreement

Date: 29 June 2018

Parties: (1) the Company (as contractor); and
(2) Huadong Cares (as subcontractor)

Scope of work: The Company will subcontract to Huadong Cares the construction of the common use self-service system for the Yantai Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the one-year quality warranty for the common use self-service system.

Consideration: RMB1,068,000.00 (equivalent to approximately HK\$1,238,880.00)

The consideration shall be paid by the Company to Huadong Cares in a lump sum according to the project progress as scheduled in the Huadong Cares Yantai Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and hardware, and the provision of services under the Huadong Cares Yantai Airport Subcontract Agreement. The adjustment shall not exceed 10% of the consideration.

The above consideration has been determined and agreed between the parties on an arm's length basis based on the costs of the software and hardware including the necessary technical support services and after taking into account the market conditions.

1.4 Huadong Cares Weihai International Airport Subcontract Agreement

Date: 29 June 2018

Parties: (1) the Company (as contractor); and
(2) Huadong Cares (as subcontractor)

Scope of work: The Company will subcontract to Huadong Cares the construction of the common use self-service system for the Weihai International Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the one-year quality warranty for the common use self-service system.

Consideration: RMB 356,000.00 (equivalent to approximately HK\$412,960.00)

The consideration shall be paid by the Company to Huadong Cares in a lump sum according to the project progress as scheduled in the Huadong Cares Weihai International Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and hardware, and the provision of services under the Huadong Cares Weihai International Airport Subcontract Agreement. The adjustment shall not exceed 10% of the consideration.

The above consideration has been determined and agreed between the parties on an arm's length basis based on the costs of the software and hardware including the necessary technical support services and after taking into account the market conditions.

1.5 Huadong Cares Nanchang Changbei International Airport Subcontract Agreement

Date: 5 July 2018

Parties: (1) the Company (as contractor); and
(2) Huadong Cares (as subcontractor)

Scope of work: The Company will subcontract to Huadong Cares the construction of the self-service check-in equipment for the Nanchang Changbei International Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the two-year quality warranty for the self-service check-in equipment.

Consideration: RMB1,168,000.00 (equivalent to approximately HK\$1,354,880.00)

The consideration shall be paid by the Company to Huadong Cares in two instalments according to the project progress as scheduled in the Huadong Cares Nanchang Changbei International Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and hardware, and the provision of services under the Huadong Cares Nanchang Changbei International Airport Subcontract Agreement. The adjustment shall not exceed 10% of the consideration.

The above consideration has been determined and agreed between the parties on an arm's length basis based on the costs of the software and hardware including the necessary technical support services and after taking into account the market conditions.

1.6 Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project Subcontract Agreement

Date: 10 August 2018

Parties: (1) the Company (as contractor); and
(2) Huadong Cares (as subcontractor)

Scope of work: The Company will subcontract to Huadong Cares the construction of the Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the one-year quality warranty for the facial recognition & ID authentication system.

Consideration: RMB4,250,700.00 (equivalent to approximately HK\$4,930,812.00)

The consideration shall be paid by the Company to Huadong Cares in three instalments according to the project progress as scheduled in the Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and hardware, and the provision of services under the Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project Subcontract Agreement. The adjustment shall not exceed 10% of the consideration.

The above consideration has been determined and agreed between the parties on an arm's length basis based on the costs of the software and hardware including the necessary technical support services and after taking into account the market conditions.

2. REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTIONS

The Company has undertaken each of the Wuxi Sunan Shuofang Airport Project, Nanchang Changbei Airport Project, Yantai Airport Project, Weihai International Airport Project, Nanchang Changbei International Airport Project and Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project as a general contractor. Huadong Cares is principally engaged in the provision of computer software and hardware development and data network services. Huadong Cares has the necessary qualification, capability and technological skill required to carry out the relevant work as specified under the Huadong Cares Subcontract Agreements. The Board is of the view that it will be for the benefit of the Company to subcontract to Huadong Cares the relevant work as specified under the aforementioned agreements.

The Directors (including the independent non-executive Directors) are of the view that the transactions under the Huadong Cares Subcontract Agreements will be conducted in the ordinary and usual course of business of the Group and on normal commercial terms, and that the terms of the transactions are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

3. IMPLICATIONS UNDER THE LISTING RULES

Huadong Cares is owned as to 41% by the Company and over 30% by Eastern Airlines as at the date of this announcement. Eastern Airlines is a subsidiary of Eastern Holding, a substantial shareholder of the Company. As such, Huadong Cares is a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Therefore, the transactions contemplated under the Huadong Cares Subcontract Agreements entered into between the Company and Huadong Cares constitute connected transactions of the Company.

Since the highest applicable Percentage Ratio calculated with reference to the consideration under the Huadong Cares Subcontract Agreements is more than 0.1% but less than 5%, the transactions contemplated under the Huadong Cares Subcontract Agreements are subject to the announcement requirement but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

Mr. Li Yangmin, a non-executive Director, has abstained from voting on the resolution in relation to the Huadong Cares Subcontract Agreements as he is a director of Eastern Airlines and an employee of Eastern Holding. Save as disclosed above, none of the Directors has a material interest in the transactions contemplated under the Huadong Cares Subcontract Agreements, and none of them has abstained from voting on the relevant Board resolution.

4. GENERAL INFORMATION

Information on the Group

The Group is principally engaged in the provision of aviation information technology services in the PRC as well as the provision of accounting, settlement and clearing services and information system development and support services to domestic and worldwide airline companies.

Information on Huadong Cares

Huadong Cares is principally engaged in the provision of computer software and hardware development and data network services.

5. DEFINITIONS

In this announcement, the following expressions shall have the meaning set out below unless the context requires otherwise:

“Board”	the board of Directors
“Company”	TravelSky Technology Limited, a company incorporated under the laws of the PRC whose shares are listed on the Main Board of the Stock Exchange and whose American depository shares are traded on the over-the-counter market in the United States of America
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eastern Airlines”	China Eastern Airlines Corporation Limited* (中國東方航空股份有限公司), a subsidiary of Eastern Holding as at the date of this announcement
“Eastern Holding”	China Eastern Air Holding Company Limited* (中國東方航空集團有限公司), a substantial shareholder of the Company as at the date of this announcement

“Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project”	the construction of the facial recognition & ID authentication system of eleven airports, being Xuzhou Airport* (徐州機場), Yancheng Airport* (鹽城機場), Yantai Airport* (烟台機場), Weihai Airport* (威海機場), Yangtai Airport* (楊泰機場), Linyi Airport* (臨沂機場), Huaian Airport* (淮安機場), Weifang Airport* (濰坊機場), Dongying Airport* (東營機場), Yichun Airport* (宜春機場) and Shangrao Airport* (上饒機場), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project Subcontract Agreement”	the subcontract agreement dated 10 August 2018 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region
“Huadong Cares”	Shanghai Civil Aviation East China Cares System Integration Co., Ltd.* (上海民航華東凱亞系統集成有限公司)
“Huadong Cares Nanchang Changbei Airport Subcontract Agreement”	the subcontract agreement dated 15 June 2018 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the departure system for the Nanchang Changbei Airport Project
“Huadong Cares Nanchang Changbei International Airport Subcontract Agreement”	the subcontract agreement dated 5 July 2018 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the self-service check-in equipment for the Nanchang Changbei International Airport Project

<p>“Huadong Cares Subcontract Agreements”</p>	<p>collectively, the Huadong Cares Wuxi Sunan Shuofang Airport Subcontract Agreement, the Huadong Cares Nanchang Changbei Airport Subcontract Agreement, the Huadong Cares Yantai Airport Subcontract Agreement, the Huadong Cares Weihai International Airport Subcontract Agreement, the Huadong Cares Nanchang Changbei International Airport Subcontract Agreement and the Eleven Airports (Including Xuzhou) Facial Recognition & ID Authentication Project Subcontract Agreement</p>
<p>“Huadong Cares Weihai International Airport Subcontract Agreement”</p>	<p>the subcontract agreement dated 29 June 2018 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the common use self-service system for the Weihai International Airport Project</p>
<p>“Huadong Cares Wuxi Sunan Shuofang Airport Subcontract Agreement”</p>	<p>the subcontract agreement dated 16 April 2018 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the departure system for the Wuxi Sunan Shuofang Airport Project</p>
<p>“Huadong Cares Yantai Airport Subcontract Agreement”</p>	<p>the subcontract agreement dated 29 June 2018 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the common use self-service system for the Yantai Airport Project</p>
<p>“Listing Rules”</p>	<p>the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited</p>
<p>“Nanchang Changbei Airport Project”</p>	<p>the construction of the departure system of the Nanchang Changbei International Airport* (南昌昌北國際機場) for overall renovation of Terminal 1, which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof</p>
<p>“Nanchang Changbei International Airport Project”</p>	<p>the construction of the self-service check-in equipment of the Nanchang Changbei International Airport* (南昌昌北國際機場), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof</p>

“Percentage Ratio(s)”	the percentage ratio(s) described under Rule 14.07 of the Listing Rules
“PRC”	the People’s Republic of China and, for the purpose of this announcement, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning as ascribed to it under the Listing Rules
“Weihai International Airport Project”	the construction of the common use self-service system of the Weihai International Airport* (威海國際機場), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“Wuxi Sunan Shuofang Airport Project”	the construction of the departure system of the Wuxi Sunan Shuofang International Airport* (無錫蘇南碩放國際機場), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“Yantai Airport Project”	the construction of the common use self-service system of the Yantai Penglai International Airport* (烟台蓬萊國際機場), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“%”	per cent

* *for identification purposes only*

For the purpose of this announcement, unless otherwise indicated, the exchange rate at RMB1 = HK\$1.16 has been used, where applicable, for the purpose of illustration only and not constitute a representation that any amount have been, could have been or may be exchanged.

By the order of the Board
TravelSky Technology Limited
Cui Zhixiong
Chairman

Beijing, PRC
10 August 2018

As at the date of this announcement, the Board comprises:

Executive Directors: Mr. Cui Zhixiong (Chairman) and Mr. Xiao Yinhong;

Non-executive Directors: Mr. Cao Jianxiong, Mr. Li Yangmin and Mr. Yuan Xin'an;

Independent non-executive Directors: Mr. Cao Shiqing, Dr. Ngai Wai Fung and Mr. Liu Xiangqun.